

# Havells India Limited

**Financial Year 2012-13** {March 31, 2013}  
{Audited Financial Results}

We recommend that readers refer to the Havells India financials to get a better appreciation of the business performance. A copy of the latest quarterly/ yearly Financial Results of Havells India Limited are available on Havells website – <http://www.havells.com>. The results are Audited by the Auditors of the Company and approved by the Board of Directors in their meeting held on 28<sup>th</sup> May 2013.

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## KEY HIGHLIGHTS

### YEARLY RESULT HIGHLIGHT

| (Rs in crores)                     | FY12  | FY13  | Change% |
|------------------------------------|-------|-------|---------|
| <b><u>Havells (Standalone)</u></b> |       |       |         |
| Revenue                            | 3,616 | 4,225 | 17%     |
| Operating Profit (EBIDTA)          | 459   | 533   | 16%     |
| Profit before tax                  | 374   | 457   | 22%     |
| Profit after tax                   | 305   | 371   | 22%     |
| <br>(In Euro mn)                   |       |       |         |
| <b><u>Sylvania Global</u></b>      |       |       |         |
| Revenue                            | €448  | €440  | -       |
| Operating Profit (EBIDTA)          | €37   | €23   | -       |
| Profit before tax                  | €16   | €30   | -       |
| Profit after tax                   | €10   | €31   | -       |
| <br>(Rs in crores)                 |       |       |         |
| <b><u>Consolidated</u></b>         |       |       |         |
| Revenue                            | 6,518 | 7,248 | 11%     |
| Operating Profit (EBIDTA)          | 678   | 686   | -       |
| Profit before tax                  | 476   | 664   | 40%     |
| Profit after tax                   | 370   | 581   | 57%     |

## Management Discussion

Havells has registered growth across all products segments despite a challenging macro-economic environment through well-defined strategies adapted to match the dynamics of the changing environment. Our continuous focus to translate valuable consumer insights into ideas and solutions has enabled our evolution into one of the trusted electrical consumer brands.

Our strategic focus on regular introduction of new products in the market has helped in developing new revenue streams from the domestic segment for electrical goods and appliances. This has helped in overcoming the sluggish demand in the industrial sector for electrical goods due to slow growth in infrastructure development in the financial year. Havells has positioned itself strategically as a quality focused consumer brand. Thus Havells has been able to gain substantial market share gains by providing consumers with quality products and continued brand building activities and the expansion of the exclusive Havells Galaxy stores. The company's efforts in expanding the rural reach through Reo would be a growth driver for the future.

### **Havells Initiatives in Product Portfolio: Meeting Diverse Customer Needs**

In the financial year 2012-13 we have continued our focus on diversifying the product portfolio with adjacencies to current offering. Brand promotion, distribution penetration, servicing and product expansion, inter-alia, have been key initiatives for higher growth.

Thus continuing our foray in the domestic market for electrical appliances, we launched new models in all our consumer categories of garment care, brewing, cooking and temperature control. Havells being a pioneer in introducing new fan ranges in the industry, this year introduced models like the ultra-premium fan – shaped like an inverted lotus.

In our conventional line of business we introduced the *Crabtree Xpro* range – a new line of switchgears that offer multi-functionality along with renewed safety features. During the year we launched *Murano*, a super-premium range of switches under brand Crabtree. We also took a major decision of entering into entry level conventional switches category with the introduction of Reo while maintaining Havells brand attributes of quality, reliability, and aesthetics. Reo will help us expand in the fast-growing rural market.

In domestic cables we introduced RoHS compliant S<sup>3</sup> technology that are fire-resistant, rodent-proof and emit no black-smoke or harmful emissions on incineration. In order to cater to the rapidly emerging lighting fixtures a new fixtures plant was set up at Neemrana.

Thus Havells with a portfolio of products has not just won the trust of consumers but has become an inseparable part of the household. With increasing contribution from consumer centric businesses Havells has been taking initiatives to provide better service to the customers. This year we expanded our network for handling customer queries and complaints. To customize and facilitate the same all our call centers handle queries in the vernacular languages.

### **Distribution Network**

Havells achieved its ambitious target of increasing the number of Havells Galaxies across India to 200 by end of financial year 2013. The Havells Galaxy chain of stores has not only increased our presence across different markets but also increased the flow of revenues from this channel contributing to 12% of non-industrial cable business.

### **Investing in the Brand**

Havells has been continuously investing in the brand which is evident from the advertisement expenses amounting to around 3.7% of consumer sales which was unheard in the electrical space. Havells continued to sponsor major cricket events such as IPL, India New Zealand series, T-20 World Cup, T-20 Champions League, India -England series in India, India - Pak series in India etc. This year we tied up with ESPN Star Sports to promote our brand during all cricket matches/series happening in the country. Havells came with

advertisement campaigns like “Hawa Badlegi” which enabled Havells to move to the next level of advertising than mere functional benefits. This campaign showcased multiple situations that portray different protagonists who are changing the norms of the society and ushering a new way of doing things.

## **HAVELLS Brand**

QRG Enterprises Limited, one of the promoter companies and who owns the brand name/trade mark 'Havells', has entered into a revised Trademark License Agreement with the Company pursuant to which the brand will be transferred to the Company for no consideration with effect from 1<sup>st</sup> April 2016. Accordingly the royalty fees will be discontinued from the current maximum cap of Rs 40 crores per year.

## **Awards and Accolades**

During the year Havells was awarded the 'Most Trusted Electrical Brand' of the country for the second time in a row, by the Trust Research Advisory (TRA) in their publication – Brand Trust Report 2013. This was prepared in association with the Indian Statistical Institute. Havells Cables were adjudged best Cables by the renowned business news channel- Zee Business in the recently concluded First Edition of 'Good Home Awards'. The independent research was done by Ipsos, a global market research agency, to poll some of the key stakeholders for home products: existing users, intenders/ prospective buyers and contractors to arrive at a ranking of best brands in 15 categories. Parameters used for recognizing the winner were familiarity/ brand image; trust/ quality; innovative products/ solutions; company recommended by trade; availability/ dealer network/ after sales service.

Havells-Sylvania's Concord Glace luminary also won the Interior Luminary of the Year award at the prestigious Lighting Design Awards (LDA) 2013 at London. This continued the Havells-Sylvania trend of winning accolades at the world-renowned LDAs every year and gave the brand a further impetus in international market.

## SECTION 1. HAVELLS INDIA (STANDALONE)

### A.Q4 2012-13 RESULTS ANALYSIS

The Business demonstrated consistent performance in the current quarter driven by growth in each product segment except industrial cable. The industrial activities continued to be sluggish.

**Table 1.1: P&L Summary (Havells India) – Quarterly**

| In crores of rupees           | Q4<br>FY12 | Q4<br>FY13 | Change<br>(%) |
|-------------------------------|------------|------------|---------------|
| Net Revenue                   | 1,046.7    | 1,169.6    | 12%           |
| <b>EBIDTA</b>                 | 123.6      | 146.0      | 18%           |
| <i>as a % of NR</i>           | 11.8%      | 12.5%      |               |
| Depreciation                  | 16.6       | 15.6       |               |
| Finance Cost                  | 19.7       | 2.7        |               |
| Foreign Exchange (gain)/ loss | (21.4)     | (2.9)      |               |
| Add: Other Income             | 2.1        | 3.4        |               |
| Profit before tax             | 110.8      | 134.0      | 21%           |
| <i>as a % of NR</i>           | 10.6%      | 11.5%      |               |
| Tax                           | 19.3       | 24.3       |               |
| <b>Net Profit</b>             | 91.5       | 109.7      | 20%           |
| <i>as a % of NR</i>           | 8.7%       | 9.4%       |               |

#### Results summary

- 23% growth in consumer business without industrial cable division. Industrial Cable de-grew by 17%.
- Improvement in margins due to the change in product mix towards consumer business and lower cost of advertisement in Q4FY13 (2%) as compared to Q4FY12 (2.5%).
- Depreciation for Q4FY12 includes the full year provision for three shift provided in Cable business.
- Finance Cost includes interest cost of Rs 2.7 crores in Q4FY13 as compared to Rs 10.2 crores in Q4FY12. The improvement is largely due to lower utilization of acceptances. Finance cost in Q4FY12 also includes Rs 9.5 crores as exchange loss booked in Finance Cost as per AS16 as compared to nil during Q4FY13.
- Improvement in margins and interest cost led PBT to improve by 200 bps (without foreign exchange gain).
- Foreign Exchange gain generated due to movement of INR vs US\$ during current quarter, mainly on foreign currency loan, outstanding balance Rs 108.8 crores as on 31<sup>st</sup> March 2013 and outstanding creditors for imported material.

**Table 1.2: Segment wise Revenue analysis – Quarterly**

| In crores of rupees          | Q4<br>FY12     | Q4<br>FY13     | Change<br>(%) | Q3<br>FY13     |
|------------------------------|----------------|----------------|---------------|----------------|
| Switchgears                  | 237.6          | 311.8          | 31%           | 269.7          |
| Cable                        | 476.7          | 462.0          | (3)%          | 408.5          |
| Lighting &<br>Fixtures       | 151.1          | 182.3          | 21%           | 177.0          |
| Electrical Cons.<br>Durables | 181.3          | 213.5          | 18%           | 203.2          |
| Others                       |                |                |               |                |
| <b>Total</b>                 | <b>1,046.7</b> | <b>1,169.6</b> | <b>12%</b>    | <b>1,058.4</b> |

**Net Revenue by segment**

- Switchgears grew 22% without new product. New product segment of switches i.e Reo contributed Rs 22 crores in current quarter.
- Industrial cable de-grew by 17% whereas domestic cable registered a growth of 20%.

**Table 1.3: Segment wise contribution margin analysis- Quarterly**

| In crores of rupees       | Q4 FY12                 |                           | Q4 FY13                 |                           |
|---------------------------|-------------------------|---------------------------|-------------------------|---------------------------|
|                           | Contribution<br>Margins | Contribution<br>Margins % | Contribution<br>Margins | Contribution<br>Margins % |
| Switchgears               | 80.2                    | 33.8%                     | 97.7                    | 31.3%                     |
| Cable                     | 30.6                    | 6.4%                      | 27.9                    | 6.0%                      |
| Lighting & Fixtures       | 35.8                    | 23.7%                     | 44.9                    | 24.6%                     |
| Electrical Cons. Durables | 49.7                    | 27.4%                     | 57.1                    | 26.7%                     |
| Others                    |                         |                           |                         |                           |
| <b>Total</b>              | <b>196.3</b>            | <b>18.8%</b>              | <b>227.6</b>            | <b>19.5%</b>              |

**Results summary**

- The contribution margins improved marginally largely driven by product mix change.
- Raw material fluctuation impacted the margins in the cable division.

## Table 1.4: P&L Summary –Yearly

Consumer business showed consistent performance during the year. Industrial Cable continued to show softness during the year due to the slower industrial activities.

| In crores of rupees           | FY12         | FY13         | Change%    |
|-------------------------------|--------------|--------------|------------|
| Net Revenue                   | 3,615.6      | 4,225.0      | 17%        |
| <b>EBIDTA</b>                 | <b>459.1</b> | <b>533.2</b> | <b>16%</b> |
| <i>as a % of NR</i>           | <i>12.7%</i> | <i>12.6%</i> |            |
| Depreciation                  | 44.7         | 57.9         |            |
| Finance Cost                  | 44.4         | 28.6         |            |
| Foreign Exchange (gain)/ loss | 3.4          | (0.9)        |            |
| Add: Other Income             | 7.2          | 9.6          |            |
| Profit before tax             | 373.8        | 457.2        | 22%        |
| <i>as a % of NR</i>           | <i>10.3%</i> | <i>10.8%</i> |            |
| Tax                           | 68.4         | 85.8         |            |
| <b>Net Profit</b>             | <b>305.4</b> | <b>371.4</b> | <b>22%</b> |
| <i>as a % of NR</i>           | <i>8.4%</i>  | <i>8.8%</i>  |            |

### Results summary

- 27% growth in consumer business without industrial cable division which registered de growth of 10%.
- Advertisement cost was 3.7% of consumer business in both the comparative years.
- Interest cost reduced from Rs 31.89 crores to Rs 22.76 crores in FY13.
- Finance cost also includes Rs 9.4 crores in FY12 as exchange loss booked in finance cost as per AS16 as compared to Rs 2.3 crores during FY13.



**Table 1.5: Segment wise revenue analysis –Yearly**

| (In Rs crores)            | FY12           | FY13           | Change%    |
|---------------------------|----------------|----------------|------------|
|                           | Revenue        | Revenue        |            |
| Switchgears               | 896.1          | 1,078.1        | 20%        |
| Cable                     | 1,593.0        | 1,692.5        | 6%         |
| Lighting & Fixtures       | 554.4          | 665.1          | 20%        |
| Electrical Cons. Durables | 572.1          | 789.3          | 38%        |
| Others                    |                |                |            |
| <b>Total</b>              | <b>3,615.6</b> | <b>4,225.0</b> | <b>17%</b> |

**Net Revenue by segment**

- Switchgears grew by 16% without new product addition. The new product segment ie Reo switches contributed Rs 34 crores in FY13.
- Industrial Cable revenue de grew by 10% during FY13 whereas the domestic cable registered growth of 32%.
- Growth in Electrical Consumer Durables was also driven by higher growth in new product segment i.e Domestic Appliances. Fan division without appliances grew by 25%.

**Table 1.6: Segment wise contribution margin analysis- Yearly**

| In crores of rupees       | FY12                 |                        | FY13                 |                        |
|---------------------------|----------------------|------------------------|----------------------|------------------------|
|                           | Contribution Margins | Contribution Margins % | Contribution Margins | Contribution Margins % |
| Switchgears               | 323.4                | 36.0%                  | 365.3                | 33.9%                  |
| Cable                     | 125.9                | 7.9%                   | 154.1                | 9.1%                   |
| Lighting & Fixtures       | 131.8                | 23.8%                  | 156.8                | 23.6%                  |
| Electrical Cons. Durables | 161.0                | 28.1%                  | 197.8                | 25.1%                  |
| Others                    |                      |                        |                      |                        |
| <b>Total</b>              | <b>742.1</b>         | <b>20.5%</b>           | <b>874.0</b>         | <b>20.7%</b>           |

- No change in margins of domestic switchgears. Other product division registered slight change in margins during FY13.
- Product mix change towards domestic cable improved margins in Cable division. Industrial Cable division has comparatively lower margins.
- Margin in Electrical Consumer Durables impacted due to late pass on of foreign currency fluctuation in appliances division.

**Table 1.7: Balance Sheet highlights (Havells India standalone)**

|                                    | As at<br>March12<br><i>Audited</i> | As at<br>March13<br><i>Audited</i> |
|------------------------------------|------------------------------------|------------------------------------|
| <small>In crores of rupees</small> |                                    |                                    |
| <b>Shareholders Fund</b>           |                                    |                                    |
| Share Capital                      | 62.4                               | 62.4                               |
| Reserves and Surplus               | 1,545.9                            | 1,807.8                            |
|                                    | 1,608.3                            | 1,870.2                            |
| <b>Non-current liabilities</b>     |                                    |                                    |
| Long Term borrowing                | 69.3                               | 108.8                              |
| Others                             | 58.7                               | 96.9                               |
| <b>Current Liabilities</b>         |                                    |                                    |
| Short term borrowings              | 27.8                               | -                                  |
| Trade Payables                     | 542.5                              | 398.9                              |
| Others                             | 340.4                              | 383.5                              |
| <b>Total</b>                       | <b>2,647.0</b>                     | <b>2,858.3</b>                     |
| <b>Fixed Assets</b>                |                                    |                                    |
| Fixed Assets                       | 834.0                              | 913.6                              |
| Investments                        | 775.1                              | 791.9                              |
| Other non-current assets           | 42.0                               | 59.4                               |
| <b>Current Assets</b>              |                                    |                                    |
| Inventories                        | 648.9                              | 663.0                              |
| Trade receivables                  | 159.7                              | 130.1                              |
| Cash & Bank balance                | 136.2                              | 246.6                              |
| Others                             | 51.1                               | 53.7                               |
| <b>Total</b>                       | <b>2,647.0</b>                     | <b>2,858.3</b>                     |

- A fresh foreign currency loan has been raised from HSBC Bank (Mauritius).The loan is repayable in 12 equal quarterly installments of USD 16,66,667 starting 26th April 2014 with interest rate of LIBOR+195 bps per annum.
- Term loan in foreign currency from Canara Bank has been paid during the period.
- An investment of Rs.16.8 crores has been made in Jiangsu Havells Sylvania Lighting Co. Ltd, 50:50 Joint Venture with Shanghai Yaming Lighting Co. Ltd, during this financial year. Execution of first phase of project has been completed in which Assembly Line for Fixtures, CFL & HID has been established and initial production has commenced for HID Lamps, HID Outdoor Fixtures, CFL Lamps, and LED Outdoor Fixtures. JV has started supplying to Havells Sylvania & Havells India entities and made total sales of US\$ 3 million.
- The reduction in trade payables is due to lower acceptances .Acceptances stand nil as on 31st March 2013 as compared to Rs 195 crores as on 31st March 2012.

**Table 1.8: Cash flow analysis**

| In crores of rupees                                   | FY12         | FY13         |
|-------------------------------------------------------|--------------|--------------|
| Profit before tax                                     | 373.8        | 457.2        |
| Change in working capital                             | (40.0)       | (67.9)       |
| Others                                                | 23.4         | (11.7)       |
| Net Cash Flow from Operating Activities               | 357.2        | 377.6        |
| Less: Cash used in Investing activities               | (194.8)      | (131.2)      |
| Less: Cash flow from financing activities             | (84.8)       | (135.5)      |
| Net increase/ (decrease) in cash and cash equivalents | 77.6         | 110.9        |
| Opening Cash                                          | 49.2         | 135.9        |
| Cash taken over on Amalgamation                       | 8.9          | -            |
| Others                                                | 0.3          | (0.3)        |
| <b>Closing Cash</b>                                   | <b>136.0</b> | <b>246.5</b> |

- Improvement in Cash flow visible during current year due to operating performance.

**Table 1.9: Total Capital Expenditure (Havells Standalone)**

| In crores of rupees       | FY12         | FY13         |
|---------------------------|--------------|--------------|
| Switchgears               | 18.3         | 31.2         |
| Cable                     | 10.0         | 3.8          |
| Lighting & Fixtures       | 45.4         | 25.5         |
| Electrical Cons. Durables | 24.3         | 11.8         |
| Others                    | 39.3         | 47.4         |
| <b>Total</b>              | <b>137.3</b> | <b>119.7</b> |

- Capex in Switchgear in FY13 include Rs 15.1 crores invested in capacity build up for Reo switches.
- An investment of Rs 13.7 crores was made in FY13 in lighting fixtures plant at Neemrana in addition to investment of Rs 41.6 crores made in FY12. The plant is operational and will take care of lighting fixtures requirement of both Sylvania and India business.
- Others include capex made in warehouse located at Greater Noida.

**Table 1.10: Total Net Debt (Havells Standalone)**

| In crores of rupees     | 31 March<br>2012 | 31 March<br>2013 |
|-------------------------|------------------|------------------|
| 1. Working capital loan | 27.8             | -                |
| 2. Term loan            | 69.3             | 108.8            |
| Total debt              | 97.1             | 108.8            |
| Less: Cash              | 136.2            | 246.5            |
| <b>Total Net debt</b>   | <b>(39.1)</b>    | <b>(137.7)</b>   |

**Table 1.11: Financial Ratios**

| Financial Ratios                      |            |           |
|---------------------------------------|------------|-----------|
| Profitability                         | FY12       | FY13      |
| OPM %<br>(EBIDTA/NR)                  | 12.7%      | 12.6%     |
| PAT %<br>(PAT/NR)                     | 8.4%       | 8.8%      |
| ROCE %<br>(EBITDA/CE)                 | 28.5%      | 28.5%     |
| RONW %<br>(PAT/NW)                    | 19.0%      | 19.8%     |
| <b>Liquidity Ratio</b>                |            |           |
| Current Ratio<br>(CA/CL)              | 1.1        | 1.6       |
| Debtors days<br>(Debtors/NR)          | 16         | 11        |
| Inventory days<br>(Inventories/NR)    | 65         | 57        |
| Creditors days<br>(TC/COGS)           | 86         | 55        |
| <b>Net Working Capital<br/>- days</b> | <b>(5)</b> | <b>13</b> |
| <b>Leverage Ratio</b>                 |            |           |
| Debt/Total Equity                     | 0.1        | 0.1       |

- Noticeable improvement in inventory days.
- Reduction in creditor days due to reduction in acceptances in FY13.

## SECTION 2. SYLVANIA (STANDALONE)

**Table 2.1: P&L Summary - Quarterly**

| In millions of Euro             | Q4<br>FY12  | Q4<br>FY13  | Q3<br>FY13  |
|---------------------------------|-------------|-------------|-------------|
| Net Revenue                     | €112.0      | €113.2      | €109.2      |
| EBIDTA                          | €9.5        | €6.9        | € 7.0       |
| <i>as a % of NR</i>             | 8.5%        | 6.1%        | 6.4%        |
| Pension liability<br>expense    | -           | €(1.2)      | €2.0        |
| Depreciation                    | €1.9        | €2.2        | €1.5        |
| Finance Cost                    | €2.7        | €0.6        | €2.0        |
| Foreign Exchange<br>(gain)/loss | €(0.6)      | €0.1        | €1.0        |
| Add: Other Income               | €1.3        | €(0.4)      | €0.5        |
| Exceptional Items               | -           | -           | €(1.5)      |
| Profit before tax               | €6.8        | €4.8        | €2.5        |
| <i>as a % of NR</i>             | 6.1%        | 4.2%        | 2.3%        |
| Tax                             | € 2.5       | €(1.3)      | €(0.5)      |
| <b>Net Profit</b>               | <b>€4.3</b> | <b>€6.1</b> | <b>€3.0</b> |

### Results Summary

- Sylvania performance was consistent both in the top- line and profitability.
- EBIDTA during Q4FY12 was 6.8% without the one-time benefit of raw material cost.
- The finance cost includes interest cost, change in MTM, bank charges and other finance cost. The interest cost reduced from Euro 2.2 million in Q4FY12 to Euro 1.0 million in Q4FY13.
- Tax during Q4 FY13 includes deferred tax adjustments belong to full year FY13.

**Table 2.2: Region wise revenue and margin analysis****Europe results highlights**

| In millions of Euro         | Q4<br>FY12 | %    | Q4<br>FY13 | %    | Change<br>(%) | Q3<br>FY13 | %    |
|-----------------------------|------------|------|------------|------|---------------|------------|------|
| Net Revenue                 | €70.3      |      | €69.7      |      | --            | € 66.4     |      |
| Operating profit-<br>EBIDTA | €6.8       | 9.7% | €6.5       | 9.3% | --            | € 3.3      | 5.0% |

- Operating profit margins of Europe in Q4FY12 include the benefit of low material cost without which EBIDTA would have been 7%.
- The operating profit margins of Europe in Q4FY13 would have been 7.6% excluding pension benefit.

**Americas (Latin America & USA) results highlights**

| In millions of Euro         | Q4<br>FY12 | %    | Q4<br>FY13 | %    | Change<br>(%) | Q3<br>FY13 | %    |
|-----------------------------|------------|------|------------|------|---------------|------------|------|
| Net Revenue                 | €38.2      |      | €36.4      |      | --            | € 36.1     |      |
| Operating profit-<br>EBIDTA | €2.7       | 7.1% | €1.4       | 3.8% | --            | € 2.7      | 7.4% |

- Q4FY13 includes impact of annual year ended audit adjustment in Ecuador .Without this EBIDTA would have been Euro 1.9 million in Q4FY13 and Euro 2.2 million in Q3FY13.
- Currency volatility exists in Latin America business especially Argentina during comparable periods.

## Table2.3: P&L Summary –Yearly

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During the year 2012-13 large volatility exists in currency and raw material along with softness in the European business environment. Latin America also witnessed softness influenced by currency volatility.

In view of the long term potential that Sylvania offers, the company continues to focus on profitability. To create a portfolio for the future we have increased the focus in Europe on LED fixtures.

| In millions of Euro              | FY12   | FY13    |
|----------------------------------|--------|---------|
| Net Revenue                      | €448.2 | €439.9  |
| EBIDTA                           | €37.4  | €23.3   |
| <i>as a % of NR</i>              | 8.3%   | 5.3%    |
| Pension (liability)/<br>benefits | €(4.5) | €(0.8)  |
| Depreciation                     | €7.6   | €7.4    |
| Finance Cost                     | €11.9  | €11.9   |
| Foreign<br>Exchange(gain)/loss   | €2.7   | €2.6    |
| Add: Other Income                | €5.2   | €3.5    |
| Exceptional Items                | -      | €(25.8) |
| Profit before tax                | €15.9  | €29.9   |
| <i>as a % of NR</i>              | 3.5%   | 6.8%    |
| Tax                              | €5.7   | €(0.6)  |
| Net Profit                       | €10.2  | €30.5   |

### Results summary

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- Ebidta margin in FY13 impacted due to the absence of raw material benefit, decline in sales in Europe and currency volatility in Latin America.
- Comparable EBIDTA margins without the benefit of low raw material would have been 7.0% in FY12.
- Finance cost includes finance charges amounting to Euro 4.7 million regarding refinancing of loan during FY13.
- Interest cost included in the finance cost for FY13 was Euro 6.8 million as compared to Euro 12.2 million in FY12. Finance cost also includes foreign exchange gain.
- Tax during FY13 includes deferred tax adjustments.
- Exceptional item includes money received from OSRAM settlement and impairment of fixed assets.

**Table 2.4: Net revenue breakup on regional basis-Yearly**

| In millions of Euro | Net Revenue   |               | EBIDTA       |              | EBIDTA %    |             |
|---------------------|---------------|---------------|--------------|--------------|-------------|-------------|
|                     | 2011-12       | 2012-13       | 2011-12      | 2012-13      | 2011-12     | 2012-13     |
| Europe              | €275.2        | €257.1        | €26.0        | €13.0        | 9.4%        | 5.1%        |
| Americas            | €149.1        | €155.6        | €12.0        | €10.3        | 8.1%        | 6.6%        |
| Others              | €23.9         | €27.2         | €(0.6)       |              |             |             |
| <b>Total</b>        | <b>€448.2</b> | <b>€439.9</b> | <b>€37.4</b> | <b>€23.3</b> | <b>8.3%</b> | <b>5.3%</b> |

- EBIDTA margins in Europe in 2011-12 without the benefit of cheaper raw material would have been 7.3%



**Table 2.5: Balance sheet – Highlights(Sylvania stand-alone)**

|                                | As at<br>March12<br><i>Audited</i> | As at<br>March13<br><i>Audited</i> |
|--------------------------------|------------------------------------|------------------------------------|
| In millions of Euro            |                                    |                                    |
| <b>Shareholders Fund</b>       |                                    |                                    |
| Share Capital                  | €102.8                             | €141.2                             |
| Reserves and Surplus           | €(97.8)                            | €(65.6)                            |
|                                | €5.1                               | €75.7                              |
| <b>Non-current liabilities</b> |                                    |                                    |
| Long Term borrowing            | €54.0                              | €73.8                              |
| Others (pension)               | €46.6                              | €43.0                              |
| <b>Current Liabilities</b>     |                                    |                                    |
| Short term borrowings          | €72.2                              | €13.2                              |
| Trade Payables                 | €75.5                              | €76.9                              |
| Others                         | €82.4                              | €58.6                              |
| <b>Total</b>                   | <b>€335.9</b>                      | <b>€341.3</b>                      |
| Fixed Assets                   | €38.1                              | €34.1                              |
| Other non-current assets       | €0.7                               | €0.2                               |
| Goodwill                       | €53.0                              | €53.0                              |
| Current Assets                 |                                    |                                    |
| Inventories                    | €106.2                             | €92.6                              |
| Trade receivables              | €106.7                             | €107.1                             |
| Cash & Bank balance            | €12.4                              | €31.0                              |
| Others                         | €18.8                              | €23.2                              |
| <b>Total</b>                   | <b>€335.9</b>                      | <b>€341.3</b>                      |

## Summary

- The standalone balance sheet provides operational performance of Sylvania standalone and does not include other subsidiaries/holding companies.
- Havells India Limited invested as equity to support refinancing of the debt .Havells took recourse debt at Havells Holdings Limited for Euro 26 million in FY13 .This debt is repayable by March 2016 in twelve quarterly installments at a cost of Euribor plus 150 bps margins.
- Noticeable reduction in loan funds and inventories. Loan funds were further reduced in April from the available cash balance, Euro 12 million have been utilized in repaying high cost existing debt.
- During the year Euro 13.4 million intercompany loan was capitalized.
- Others in Current Liabilities include current maturities of long term borrowing of Euro 8.6 million for FY12 and Euro 12.1 million for FY13.

**Table 2.6: Total Net Debt**

| In millions of Euro | 31 March 2012 | 31 March 2013 |
|---------------------|---------------|---------------|
| 1. Term Loan        | 64.1          | 83.2          |
| 2. Working Capital  | 39.2          | -             |
| 3. Other short term | 28.2          | 14.5          |
| <b>Total debt</b>   | <b>131.5</b>  | <b>97.7</b>   |
| Less: Cash          | 13.0          | 31.0          |
| <b>Net Debt</b>     | <b>118.5</b>  | <b>66.7</b>   |

**Table 2.7: Havells financial exposure to Sylvania**

| In millions of Euro                                     | 31 March 2012  | 31 March 2013  |
|---------------------------------------------------------|----------------|----------------|
| Equity investment(Acquisition)                          | €90 mn         | €90 mn         |
| Additional Equity for restructuring(during 2009& 2010)  | €35 mn         | €35 mn         |
| Debt guaranteed by Havells (during refinancing in 2012) |                | €26 mn         |
| Additional Guaranteed loan facilities*                  | €5 mn          | €5 mn          |
| <b>Total Exposure of Havells India in Sylvania</b>      | <b>€130 mn</b> | <b>€156 mn</b> |

\*Deutsche Bank had provided various credit facilities to Sylvania. The Payment was an obligation of Sylvania and had been guaranteed by Havells India Limited.

**Table 2.8: Financial Ratios**

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| <b>Financial Ratios</b>            | <b>FY12</b> | <b>FY13</b> |
|------------------------------------|-------------|-------------|
| <b>Profitability</b>               |             |             |
| OPM %<br>(EBIDTA/NR)               | 8.3%        | 5.3%        |
| PAT %<br>(PAT/NR)                  | 2.3%        | 6.9%        |
| ROCE %<br>(EBITDA/CE)              | -           | -           |
| RONW %<br>(PAT/NW)                 | -           | -           |
| <b>Liquidity Ratio</b>             |             |             |
| Current Ratio<br>(CA/CL)           | 1.1         | 1.7         |
| Debtors days<br>(Debtors/NR)       | 87          | 89          |
| Inventory days<br>(Inventories/NR) | 86          | 77          |
| Creditors days<br>(TC/COGS)        | 135         | 123         |
| <b>Net Working Capital - days</b>  | <b>38</b>   | <b>43</b>   |

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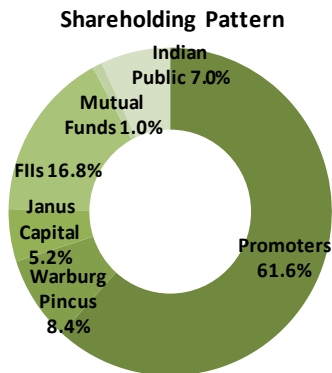
- Noticeable improvement in inventory days.

## SECTION 3. SHAREHOLDING RELATED INFORMATION

### Table 3.1: Shareholding Pattern

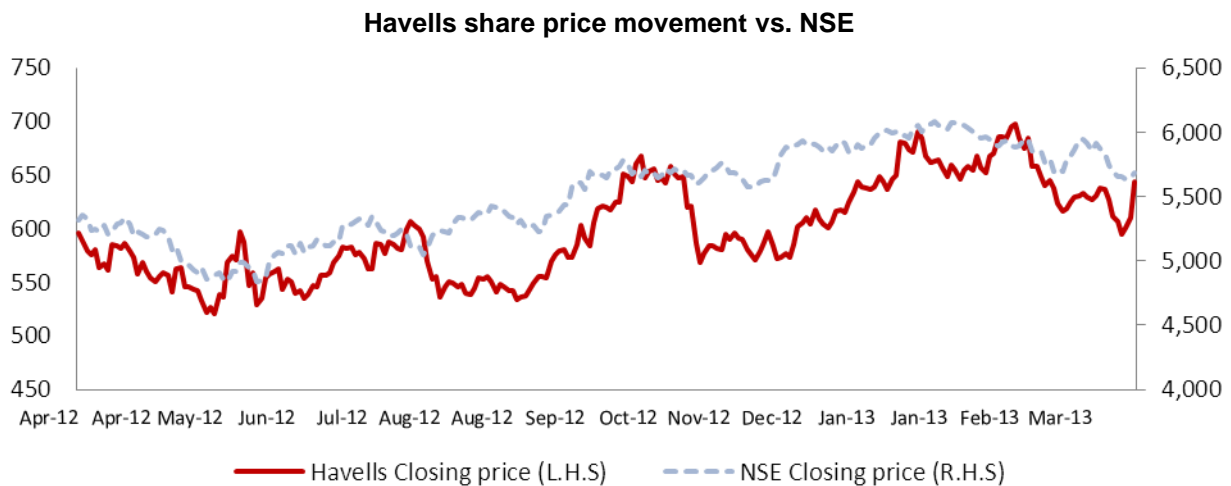
- Janus capital acquired 5.6% holding during FY13, Warburg Pincus holding reduced from 14.0% to 8.4%.
- The promoters holding is 61.6% with Warburg Pincus as the main investor.

### Shareholding pattern



### 3.2: Stock Price Performance

The graph below depicts the Havells stock price performance vis-à-vis NSE during Apr'12 – Mar'13



## DISCLOSURE OF INFORMATION, COMMUNICATION WITH INVESTORS / ANALYSTS / FINANCIAL COMMUNITY

Havells will be issuing fresh information Update, like the one you are reading now; on the day it declares its Quarterly/ Yearly Financial Results. Some forward looking statements on projections, estimates, expectations, outlook etc. are included in such updates to help investors / analysts get a better comprehension of the Company's prospects and make informed investment decisions. Actual results may, however, differ materially from those stated on account of factors such as changes in government regulations, tax regimes, economic developments within India and the countries within which the Company conducts its business, exchange rate and interest rate movements, impact of competing products and their pricing, product demand and supply constraints. The information contained in such updates is made public and does not therefore constitute unpublished price sensitive information under the SEBI (Prohibition of Insider Trading) Regulations, 1992. For further information / clarification, you may contact Mr. Sushil Singhal, DGM (Investor Relations) at Havells India Limited, QRG Towers, 2D Sector 126, Expressway, Noida UP (India), Tel: +91-120-4771000 Fax no.: +91-120-4772000; **E-mail : [ir@havells.com](mailto:ir@havells.com)**.

**HAVELLS INDIA LIMITED**  
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**Corporate Off. : QRG Towers, 2D, Sector - 126, Expressway, Noida - 201 304**  
**Tel. # 0120-4771000; Fax # 0120-4772000, Email: investors@havells.com**  
**AUDITED FINANCIAL RESULTS**  
**FOR THE QUARTER AND YEAR ENDED MARCH 31, 2013**

(Rs.in Crores)

| S.N.      | Particulars                                                                                   | Standalone     |                |                | Standalone      |                 | Consolidated    |                |
|-----------|-----------------------------------------------------------------------------------------------|----------------|----------------|----------------|-----------------|-----------------|-----------------|----------------|
|           |                                                                                               | Quarter Ended  |                |                | Year Ended      |                 | Year Ended      |                |
|           |                                                                                               | 31-Mar-13      | 31-Dec-12      | 31-Mar-12      | 31-Mar-13       | 31-Mar-12       | 31-Mar-13       | 31-Mar-12      |
|           | (Audited)                                                                                     | (Unaudited)    | (Unaudited)    | (Audited)      |                 | (Audited)       |                 |                |
| <b>1</b>  | <b>Income from operations</b>                                                                 |                |                |                |                 |                 |                 |                |
| a)        | Net Sales/Income from Operations (Net of excise duty)                                         | 1161.57        | 1052.09        | 1040.92        | 4198.90         | 3590.77         | 7221.80         | 6493.36        |
| b)        | Other Operating Income                                                                        | 8.03           | 6.28           | 5.76           | 26.09           | 24.84           | 26.09           | 24.84          |
|           | <b>Total income from operations (net)</b>                                                     | <b>1169.60</b> | <b>1058.37</b> | <b>1046.68</b> | <b>4224.99</b>  | <b>3615.61</b>  | <b>7247.89</b>  | <b>6518.20</b> |
| <b>2</b>  | <b>Expenditure</b>                                                                            |                |                |                |                 |                 |                 |                |
| a)        | Cost of materials consumed                                                                    | 651.59         | 516.61         | 579.31         | 2266.33         | 2051.59         | 2723.18         | 2565.25        |
| b)        | Purchases of stock-in trade                                                                   | 120.19         | 107.03         | 88.91          | 422.66          | 353.38          | 1437.02         | 1248.82        |
| c)        | Change in inventories of finished goods, work-in-progress and stock-in-trade                  | (23.51)        | 36.28          | 8.51           | (39.32)         | (113.88)        | (0.88)          | (186.86)       |
| d)        | Employee benefits expense                                                                     | 41.64          | 47.21          | 35.75          | 175.34          | 141.71          | 850.26          | 790.44         |
| e)        | Depreciation and amortisation expense                                                         | 15.60          | 14.82          | 16.59          | 57.88           | 44.66           | 109.66          | 94.65          |
| f)        | Foreign Exchange Fluctuation loss/(gain)                                                      | (2.89)         | 3.69           | (21.39)        | (0.87)          | 3.38            | 17.18           | 21.18          |
| g)        | Other expenses                                                                                | 233.74         | 211.37         | 210.64         | 866.86          | 723.74          | 1552.24         | 1422.04        |
|           | <b>Total expenses</b>                                                                         | <b>1036.36</b> | <b>936.81</b>  | <b>918.32</b>  | <b>3748.88</b>  | <b>3204.58</b>  | <b>6688.66</b>  | <b>5955.72</b> |
| <b>3</b>  | <b>Profit from operations before other income, finance costs and exceptional items (1- 2)</b> | <b>133.24</b>  | <b>121.56</b>  | <b>128.36</b>  | <b>476.11</b>   | <b>411.03</b>   | <b>559.23</b>   | <b>562.48</b>  |
| <b>4</b>  | <b>Other Income</b>                                                                           | <b>3.39</b>    | <b>1.53</b>    | <b>2.12</b>    | <b>9.62</b>     | <b>7.17</b>     | <b>33.37</b>    | <b>41.35</b>   |
| <b>5</b>  | <b>Profit from ordinary activities before finance costs and exceptional items (3+4)</b>       | <b>136.63</b>  | <b>123.09</b>  | <b>130.48</b>  | <b>485.73</b>   | <b>418.20</b>   | <b>592.60</b>   | <b>603.83</b>  |
| <b>6</b>  | <b>Finance Costs</b>                                                                          | <b>2.66</b>    | <b>5.75</b>    | <b>19.68</b>   | <b>28.55</b>    | <b>44.39</b>    | <b>123.22</b>   | <b>128.10</b>  |
| <b>7</b>  | <b>Profit from ordinary activities after finance costs but before exceptional items (5-6)</b> | <b>133.97</b>  | <b>117.34</b>  | <b>110.80</b>  | <b>457.18</b>   | <b>373.81</b>   | <b>469.38</b>   | <b>475.73</b>  |
| <b>8</b>  | <b>Exceptional items</b>                                                                      | -              | -              | -              | -               | -               | <b>194.41</b>   | -              |
| <b>9</b>  | <b>Profit from ordinary Activities before tax (7+8)</b>                                       | <b>133.97</b>  | <b>117.34</b>  | <b>110.80</b>  | <b>457.18</b>   | <b>373.81</b>   | <b>663.79</b>   | <b>475.73</b>  |
| <b>10</b> | <b>Tax expenses</b>                                                                           | <b>24.29</b>   | <b>22.68</b>   | <b>19.28</b>   | <b>85.79</b>    | <b>68.38</b>    | <b>82.36</b>    | <b>105.81</b>  |
| <b>11</b> | <b>Net Profit from ordinary activities after tax (9-10)</b>                                   | <b>109.68</b>  | <b>94.66</b>   | <b>91.52</b>   | <b>371.39</b>   | <b>305.43</b>   | <b>581.43</b>   | <b>369.92</b>  |
| <b>12</b> | <b>Extraordinary Items (net of tax expenses)</b>                                              | -              | -              | -              | -               | -               | -               | -              |
| <b>13</b> | <b>Net Profit for the period (11+12)</b>                                                      | <b>109.68</b>  | <b>94.66</b>   | <b>91.52</b>   | <b>371.39</b>   | <b>305.43</b>   | <b>581.43</b>   | <b>369.92</b>  |
| <b>14</b> | <b>Minority interest</b>                                                                      | -              | -              | -              | -               | -               | -               | -              |
| <b>15</b> | <b>Net Profit after taxes and minority interest (13-14)</b>                                   | <b>109.68</b>  | <b>94.66</b>   | <b>91.52</b>   | <b>371.39</b>   | <b>305.43</b>   | <b>581.43</b>   | <b>369.92</b>  |
| <b>16</b> | <b>Paid up Equity Share Capital (Face value of Rs.5/- each)</b>                               | <b>62.39</b>   | <b>62.39</b>   | <b>62.39</b>   | <b>62.39</b>    | <b>62.39</b>    | <b>62.39</b>    | <b>62.39</b>   |
| <b>17</b> | <b>Reserves excluding revaluation reserves as per balance sheet of previous year</b>          | -              | -              | -              | <b>1,807.83</b> | <b>1,545.93</b> | <b>1,379.65</b> | <b>893.22</b>  |
| <b>18</b> | <b>Earnings per share (EPS) before extraordinary items (of Rs.5/-each) (not annualised) :</b> |                |                |                |                 |                 |                 |                |
| a)        | Basic (Rs.)                                                                                   | 8.79           | 7.59           | 7.33           | 29.76           | 24.48           | 46.60           | 29.65          |
| b)        | Diluted (Rs.)                                                                                 | 8.79           | 7.59           | 7.33           | 29.76           | 24.48           | 46.60           | 29.65          |
|           | <b>Earnings per share (EPS) after extraordinary items (of Rs.5/-each) (not annualised) :</b>  |                |                |                |                 |                 |                 |                |
| a)        | Basic (Rs.)                                                                                   | 8.79           | 7.59           | 7.33           | 29.76           | 24.48           | 46.60           | 29.65          |
| b)        | Diluted (Rs.)                                                                                 | 8.79           | 7.59           | 7.33           | 29.76           | 24.48           | 46.60           | 29.65          |
| <b>A.</b> | <b>PARTICULARS OF SHAREHOLDING</b>                                                            |                |                |                |                 |                 |                 |                |
| <b>1</b>  | <b>Public shareholding</b>                                                                    |                |                |                |                 |                 |                 |                |
| -         | Number of Shares                                                                              | 47881158       | 47961960       | 47961960       | 47881158        | 47961960        | 47881158        | 47961960       |
| -         | Percentage of shareholding                                                                    | 38.37          | 38.44          | 38.44          | 38.37           | 38.44           | 38.37           | 38.44          |
| <b>2</b>  | <b>Promoters and Promoter Group Shareholding</b>                                              |                |                |                |                 |                 |                 |                |
| a)        | Pledged/Encumbered                                                                            |                |                |                |                 |                 |                 |                |
| -         | Number of shares                                                                              | NIL            | NIL            | NIL            | NIL             | NIL             | NIL             | NIL            |
| -         | Percentage of shares (as a % of the total shareholding of promoter and promoter group)        | N.A.           | N.A.           | N.A.           | N.A.            | N.A.            | N.A.            | N.A.           |
| -         | Percentage of shares (as a % of the total share capital of the company)                       | N.A.           | N.A.           | N.A.           | N.A.            | N.A.            | N.A.            | N.A.           |
| b)        | Non - encumbered                                                                              |                |                |                |                 |                 |                 |                |
| -         | Number of shares                                                                              | 76893654       | 76812852       | 76812852       | 76893654        | 76812852        | 76893654        | 76812852       |
| -         | Percentage of shares (as a % of the total shareholdings of the promoter and promoter group)   | 100.00         | 100.00         | 100.00         | 100.00          | 100.00          | 100.00          | 100.00         |
| -         | Percentage of shares (as a % of the total share capital of the company)                       | 61.63          | 61.56          | 61.56          | 61.63           | 61.56           | 61.63           | 61.56          |
| <b>B.</b> | <b>INVESTORS COMPLAINTS</b>                                                                   |                |                |                |                 |                 |                 |                |
|           | Quarter ended 31st March 2013                                                                 |                |                |                |                 |                 |                 |                |
|           | Pending at the beginning of the quarter                                                       | Nil            |                |                |                 |                 |                 |                |
|           | Received during the quarter                                                                   | 11             |                |                |                 |                 |                 |                |
|           | Disposed of during the quarter                                                                | 11             |                |                |                 |                 |                 |                |
|           | Remaining unresolved at the end of the quarter                                                | Nil            |                |                |                 |                 |                 |                |

**Notes:**

- During the quarter, the Company has invested Rs.5.32 crores in joint venture company named "Jiangsu Havells Sylvania Lighting Co. Ltd" with Shanghai Yaming Lighting Co. Ltd in China representing its 50% share of capital contribution.
- The shareholders of the company, vide special resolution passed by way of postal ballot on 23rd March, 2013 approved "Havells Employees Stock Option 2013" for granting Employees Stock Options in the form of Equity Shares to eligible employees. The options are vested equally over a period of two years after the grant date i.e. 8th April, 2013.
- The consolidated financial results have been prepared in accordance with Accounting Standard-21 on "Consolidated Financial Statements" and Accounting Standard-27 on "Financial Reporting of interest in Joint Ventures" and includes Company's subsidiaries and joint venture.
- Exceptional item in the consolidated financial results represents one time brand related settlement of Rs.194.41 crores received by Company's subsidiary.
- The figures for the quarter ended March 31, 2013 and for the corresponding quarter ended March 31, 2012 are the balancing figures between audited figures in respect of the full financial year and the published year to date figures upto the third quarter of the respective financial year ending on March.
- The Board of Directors has recommended a dividend of Rs. 7.50 per equity share of Rs.5/- each for the year ended March 31, 2013. The payment of dividend is subject to the approval of the shareholders in the Annual General Meeting of the Company.
- Tax expense includes current tax, deferred tax and MAT credit.
- Prior period figures have been reclassified / regrouped wherever considered necessary for comparative purposes.
- The above financial results have been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on 28th May, 2013.

For and on behalf of the Board  
Havells India Limited

(Anil Rai Gupta)  
Joint Managing Director

Noida, May 28, 2013

| <b>HAVELLS INDIA LIMITED</b>                                               |                                                                |                  |                  |                  |              |           |              |           |
|----------------------------------------------------------------------------|----------------------------------------------------------------|------------------|------------------|------------------|--------------|-----------|--------------|-----------|
| Regd. Off. : 1, Raj Narain Marg, Civil Lines, Delhi - 110 054              |                                                                |                  |                  |                  |              |           |              |           |
| Corporate Off. : ORG Towers, 2D, Sector - 126, Expressway, Noida - 201 304 |                                                                |                  |                  |                  |              |           |              |           |
| Tel. # 0120-4771000; Fax # 0120-4772000, Email: investors@havells.com      |                                                                |                  |                  |                  |              |           |              |           |
| <b>SEGMENTWISE REVENUE, RESULTS AND CAPITAL EMPLOYED</b>                   |                                                                |                  |                  |                  |              |           |              |           |
| (Rs.in Crores)                                                             |                                                                |                  |                  |                  |              |           |              |           |
| S.N                                                                        | Particulars                                                    | Quarter Ended    |                  |                  | Year to Date |           | Consolidated |           |
|                                                                            |                                                                | 31-Mar-13        | 31-Dec-12        | 31-Mar-12        | 31-Mar-13    | 31-Mar-12 | 31-Mar-13    | 31-Mar-12 |
|                                                                            |                                                                | (Audited)        | (Unaudited)      | (Unaudited)      | (Audited)    |           | (Audited)    |           |
| 1                                                                          | Net Segment Revenue                                            |                  |                  |                  |              |           |              |           |
|                                                                            | a) Switchgears                                                 | 311.79           | 269.66           | 237.56           | 1078.06      | 896.15    | 1078.06      |           |
|                                                                            | b) Cable                                                       | 461.96           | 408.54           | 476.66           | 1692.48      | 1592.99   | 1692.48      |           |
|                                                                            | c) Lighting & Fixtures                                         | 182.25           | 177.00           | 151.13           | 665.18       | 554.39    | 3688.08      |           |
|                                                                            | d) Electrical Consumer Durables                                | 213.60           | 203.17           | 181.33           | 789.27       | 572.08    | 789.27       |           |
|                                                                            | Total                                                          | 1169.60          | 1058.37          | 1046.68          | 4224.99      | 3615.61   | 7247.89      |           |
|                                                                            | Less : Inter Segment Revenue                                   | -                | -                | -                | -            | -         | -            |           |
|                                                                            | Sales/ Income from Operations                                  | 1169.60          | 1058.37          | 1046.68          | 4224.99      | 3615.61   | 7247.89      |           |
| 2                                                                          | Segment Results                                                |                  |                  |                  |              |           |              |           |
|                                                                            | (Profit(+)/ Loss(-) before Tax and Interest from each Segment) |                  |                  |                  |              |           |              |           |
|                                                                            | a) Switchgears                                                 | 97.73            | 94.97            | 80.19            | 365.32       | 323.42    | 365.32       |           |
|                                                                            | b) Cable                                                       | 27.94            | 41.40            | 30.65            | 154.08       | 125.90    | 154.08       |           |
|                                                                            | c) Lighting & Fixtures                                         | 44.88            | 42.27            | 35.75            | 156.77       | 131.77    | 971.63       |           |
|                                                                            | d) Electrical Consumer Durables                                | 57.06            | 50.84            | 49.70            | 197.82       | 161.02    | 197.82       |           |
|                                                                            | Total                                                          | 227.61           | 229.48           | 196.29           | 873.99       | 742.11    | 1688.85      |           |
|                                                                            | Less : (i) Finance cost                                        | 2.66             | 5.75             | 19.68            | 28.55        | 44.39     | 123.22       |           |
|                                                                            | (ii) Other un-allocable expenses net of un-allocable income    | 90.98            | 106.39           | 65.81            | 388.26       | 323.91    | 1096.25      |           |
|                                                                            | Total Profit before tax and exceptional items                  | 133.97           | 117.34           | 110.80           | 457.18       | 373.81    | 469.38       |           |
| 3                                                                          | Capital Employed                                               |                  |                  |                  |              |           |              |           |
|                                                                            | (Segment Assets - Segment Liabilities)                         |                  |                  |                  |              |           |              |           |
|                                                                            | a) Switchgears                                                 | 347.50           | 378.83           | 393.34           | 347.50       | 393.34    | 347.50       |           |
|                                                                            | b) Cable                                                       | 353.00           | 323.60           | 188.09           | 353.00       | 188.09    | 353.00       |           |
|                                                                            | c) Lighting & Fixtures                                         | 248.77           | 262.86           | 277.96           | 248.77       | 277.96    | 1068.04      |           |
|                                                                            | d) Electrical Consumer Durables                                | 142.34           | 132.64           | 143.79           | 142.34       | 143.79    | 142.34       |           |
|                                                                            | e) Others-Unallocable                                          | 1091.61          | 1097.93          | 1003.18          | 1091.61      | 1003.18   | 1910.88      |           |
|                                                                            | Total                                                          | 778.61           | 772.10           | 605.14           | 778.61       | 605.14    | (468.75)     |           |
|                                                                            | Total                                                          | 1870.22          | 1870.03          | 1608.32          | 1870.22      | 1608.32   | 1442.13      |           |
|                                                                            | 955.70                                                         |                  |                  |                  |              |           |              |           |
| <b>STATEMENT OF ASSETS AND LIABILITIES</b>                                 |                                                                |                  |                  |                  |              |           |              |           |
| (Rs.in crores)                                                             |                                                                |                  |                  |                  |              |           |              |           |
| Particulars                                                                | Standalone                                                     |                  | Consolidated     |                  |              |           |              |           |
|                                                                            | (Audited)                                                      |                  | (Audited)        |                  |              |           |              |           |
|                                                                            | As At 31.03.2013                                               | As At 31.03.2012 | As At 31.03.2013 | As At 31.03.2012 |              |           |              |           |
| <b>A EQUITY AND LIABILITIES</b>                                            |                                                                |                  |                  |                  |              |           |              |           |
| 1 Shareholders' funds                                                      |                                                                |                  |                  |                  |              |           |              |           |
| (a) Share capital                                                          | 62.39                                                          | 62.39            | 62.39            | 62.39            |              |           |              |           |
| (b) Reserve and surplus                                                    | 1807.83                                                        | 1545.93          | 1379.65          | 893.22           |              |           |              |           |
| Sub-total- Shareholders' funds                                             | 1870.22                                                        | 1608.32          | 1442.04          | 955.61           |              |           |              |           |
| 2 Minority interest                                                        | -                                                              | -                | 0.09             | 0.09             |              |           |              |           |
| 3 Non-current liabilities                                                  |                                                                |                  |                  |                  |              |           |              |           |
| (a) Long-term borrowings                                                   | 109.78                                                         | 69.27            | 742.36           | 438.64           |              |           |              |           |
| (b) Deferred tax liabilities (net)                                         | 61.90                                                          | 55.61            | 61.90            | 55.61            |              |           |              |           |
| (c) Other long-term liabilities                                            | 33.26                                                          | 2.72             | 48.89            | 25.37            |              |           |              |           |
| (d) Long-term provisions                                                   | 1.63                                                           | 0.34             | 298.24           | 317.42           |              |           |              |           |
| Sub-total- Non-current liabilities                                         | 205.57                                                         | 127.94           | 1151.39          | 837.04           |              |           |              |           |
| 4 Current liabilities                                                      |                                                                |                  |                  |                  |              |           |              |           |
| (a) Short-term borrowings                                                  | -                                                              | 27.81            | 91.84            | 429.87           |              |           |              |           |
| (b) Trade payables                                                         | 398.96                                                         | 542.46           | 932.86           | 1069.92          |              |           |              |           |
| (c) Other current liabilities                                              | 226.76                                                         | 211.78           | 672.56           | 699.01           |              |           |              |           |
| (d) Short-term provisions                                                  | 156.77                                                         | 128.64           | 181.01           | 183.85           |              |           |              |           |
| Sub-total- Current liabilities                                             | 782.49                                                         | 910.69           | 1878.27          | 2382.65          |              |           |              |           |
| <b>TOTAL- EQUITY AND LIABILITIES</b>                                       | <b>2858.28</b>                                                 | <b>2646.95</b>   | <b>4471.79</b>   | <b>4175.39</b>   |              |           |              |           |
| <b>B ASSETS</b>                                                            |                                                                |                  |                  |                  |              |           |              |           |
| 1 Non-current assets                                                       |                                                                |                  |                  |                  |              |           |              |           |
| (a) Fixed assets                                                           | 913.54                                                         | 833.95           | 1155.53          | 1094.62          |              |           |              |           |
| (b) Goodwill on consolidation                                              | -                                                              | -                | 369.44           | 362.46           |              |           |              |           |
| (c) Deferred tax assets (net)                                              | -                                                              | -                | 13.87            | -                |              |           |              |           |
| (d) Non-current investments                                                | 791.92                                                         | 775.07           | -                | -                |              |           |              |           |
| (e) Long-term loans and advances                                           | 59.40                                                          | 41.66            | 60.95            | 46.39            |              |           |              |           |
| (f) Other non-current assets                                               | -                                                              | 0.34             | -                | 0.34             |              |           |              |           |
| Sub-total- Non-current assets                                              | 1764.86                                                        | 1651.02          | 1599.79          | 1503.81          |              |           |              |           |
| 2 Current assets                                                           |                                                                |                  |                  |                  |              |           |              |           |
| (a) Inventories                                                            | 663.03                                                         | 648.88           | 1318.36          | 1367.75          |              |           |              |           |
| (b) Trade receivables                                                      | 130.17                                                         | 159.71           | 862.28           | 890.53           |              |           |              |           |
| (c) Cash and bank balances                                                 | 246.54                                                         | 136.21           | 473.57           | 233.64           |              |           |              |           |
| (d) Short-term loans and advances                                          | 41.10                                                          | 39.47            | 205.21           | 168.00           |              |           |              |           |
| (e) Other current assets                                                   | 12.58                                                          | 11.66            | 12.58            | 11.66            |              |           |              |           |
| Sub-total- Current assets                                                  | 1093.42                                                        | 995.93           | 2872.00          | 2671.58          |              |           |              |           |
| <b>TOTAL- ASSETS</b>                                                       | <b>2858.28</b>                                                 | <b>2646.95</b>   | <b>4471.79</b>   | <b>4175.39</b>   |              |           |              |           |

**HAVELLS INDIA LIMITED**  
**Regd. Off. : 1, Raj Narain Marg, Civil Lines, Delhi - 110 054**  
**Corp Off. : QRG Towers, 2D, Sector - 126, Expressway, Noida - 201 304**  
**AUDITED FINANCIAL RESULTS**  
**FOR THE QUARTER AND YEAR ENDED MARCH, 2013**

| S.N. | Particulars                                                        | Year Ended<br>(Consolidated)<br>31 March-13 |              |             |              | Year Ended<br>(Consolidated)<br>31 March-12 |             |             |              | Qtr Ended<br>(Consolidated)<br>31 Mar-13 |             |             |              | Qtr Ended<br>(Consolidated)<br>31 Mar-12 |             |             |              |
|------|--------------------------------------------------------------------|---------------------------------------------|--------------|-------------|--------------|---------------------------------------------|-------------|-------------|--------------|------------------------------------------|-------------|-------------|--------------|------------------------------------------|-------------|-------------|--------------|
|      |                                                                    | Havells                                     | Sylvania     | Elimination | Consolidated | Havells                                     | Sylvania    | Elimination | Consolidated | Havells                                  | Sylvania    | Elimination | Consolidated | Havells                                  | Sylvania    | Elimination | Consolidated |
| 1    | Net Revenue                                                        | 4225.0                                      | 3083.5       | 60.6        | 7247.9       | 3615.6                                      | 2954.7      | 52.1        | 6518.2       | 1169.6                                   | 810.0       | 23.0        | 1956.6       | 1046.7                                   | 738.9       | 7.9         | 1777.7       |
|      | Earning before finance cost, depreciation,<br>tax and amortisation | 533.2                                       | 142.0        | -11.0       | 686.2        | 459.1                                       | 216.5       | -2.9        | 678.5        | 146.0                                    | 41.6        | -0.1        | 187.7        | 123.6                                    | 55.0        | -3.1        | 181.7        |
| 3    | Less: Depreciation                                                 | 57.9                                        | 51.8         | 0.0         | 109.7        | 44.7                                        | 50.2        | 0           | 94.8         | 15.6                                     | 15.6        | 0.0         | 31.2         | 16.6                                     | 12.8        | 0           | 29.3         |
| 4    | Less: Finance cost                                                 | 28.6                                        | 82.5         | -12.1       | 123.2        | 44.4                                        | 78.6        | -5.2        | 128.1        | 2.7                                      | 4.0         | -4.0        | 10.7         | 19.7                                     | 19.3        | -1.7        | 40.8         |
| 5    | Less : Foreign Exchange Fluctuation (net)                          | -0.9                                        | 18.1         | 0.0         | 17.2         | 3.4                                         | 17.7        | -0.1        | 21.2         | -2.9                                     | 0.6         | 0.0         | -2.3         | -21.4                                    | -3.7        | 0           | -25.1        |
| 6    | Add: Other income                                                  | 9.6                                         | 24.3         | 0.6         | 33.4         | 7.2                                         | 34.5        | 0.3         | 41.4         | 3.4                                      | -3.2        | -0.9        | 1.2          | 2.1                                      | 18.1        | 0.3         | 19.9         |
| 7    | Add: Exceptional item                                              | 0.0                                         | -194.4       | 0.0         | -194.4       |                                             |             | 0           | 0            | 0.0                                      | -16.1       | 0.0         | -16.1        | 0                                        | 0           | 0           | 0            |
| 8    | Profit Before Tax                                                  | 457.2                                       | 208.4        | 1.7         | 663.8        | 373.8                                       | 104.5       | 2.6         | 475.7        | 134.0                                    | 34.4        | 3.0         | 165.4        | 110.8                                    | 44.7        | -1.1        | 156.7        |
| 9    | Less: Tax expenses                                                 | 85.8                                        | -3.4         | 0.0         | 82.4         | 68.4                                        | 37.4        | 0           | 105.8        | 24.3                                     | -9.1        | 0.0         | 15.2         | 19.3                                     | 16.5        | 0           | 35.8         |
| 10   | <b>Net Profit after tax</b>                                        | <b>371.4</b>                                | <b>211.8</b> | <b>1.7</b>  | <b>581.4</b> | <b>305.4</b>                                | <b>67.1</b> | <b>2.6</b>  | <b>369.9</b> | <b>109.7</b>                             | <b>43.5</b> | <b>3.0</b>  | <b>150.2</b> | <b>91.5</b>                              | <b>28.2</b> | <b>-1.1</b> | <b>120.9</b> |